WHAT IS CLAIMED IS:

1   1.   A method for operating a loyalty program integrated with a financial

2 infrastructure, the method comprising:

3   receiving a transaction instruction initiated by a customer at a merchant;

4   determining whether the customer and merchant are participants in the loyalty

5 program;

6   executing a loyalty process in accordance with the loyalty program if the

7 customer and merchant are participants; and

8   transmitting the transaction instruction to the financial infrastructure.

1   2.   The method recited in claim 1 further comprising transmitting an

2 authorization determination received from the financial infrastructure to the merchant.

1   3.   The method recited in claim 1 wherein the transaction instruction is

2 received from a point-of-sale terminal.

1   4.   The method recited in claim 1 wherein executing the loyalty process

2 comprises transmitting an instruction to the merchant to provide a substantially immediate

3 reward in accordance with the loyalty program.

1   5.   The method recited in claim 1 further comprising backing out of the

2 loyalty process if authorization for the transaction instruction is denied.

1   6.   A method for operating a loyalty system, the method comprising:

2   maintaining a loyalty host including administration criteria for each of a

3 plurality of distinct loyalty programs comprised by the loyalty system;

4   receiving transaction information at the loyalty host for a transaction between

5 a customer and a first merchant enrolled in at least one of the loyalty programs; and

6   augmenting a point total for the customer in accordance with the transaction

7 information and with the administration criteria for the at least one of the loyalty programs,

8   wherein the augmented point total is available to be applied by the customer

9 towards a reward from a second merchant enrolled in the at least one of the loyalty programs

10 substantially immediately after execution of the transaction.

1   7.   The method recited in claim 6 wherein the transaction information

2   identifies an issuer of a instrument used by the customer to participate in the at least one of

3   the loyalty programs.

1   8.   The method recited in claim 7 wherein the first and second merchants

2   assign different values to the point total, the method further comprising performing point-

3   settlement functions among the merchants.

1   9.   The method recited in claim 7 further comprising providing a report

2   regarding point status to the issuer.

1   10.   The method recited in claim 7 wherein the instrument comprises a

2   magnetic-stripe card.

1   11.   The method recited in claim 7 wherein the instrument comprises a chip

2   card.

1   12.   The method recited in claim 6 further comprising transmitting an

2   instruction from the loyalty host to the second merchant to provide the reward in response to

3   receiving the transaction information for the transaction between the customer and the first

4   merchant.

1   13.   The method recited in claim 6 further comprising providing details of

2   the customer's status within the at least one of the loyalty programs to the customer.

1   14.   The method recited in claim 13 wherein the details are provided over

2   the internet.

1   15.   A method for operating a loyalty program, the method comprising:

2   maintaining customer records for the loyalty program in a central database;

3   receiving transaction information for a transaction between a customer and a

4   first merchant enrolled in the loyalty program, wherein the transaction information is initiated

5   from a chip card that identifies the customer; and

6   modifying the customer records in accordance with the transaction

7   information.

1   16.   The method recited in claim 15 wherein the central database comprises

2   a distributed database.

1   17.   The method recited in claim 15 wherein the loyalty program is one of a

2   plurality of loyalty programs and maintaining customer records comprises maintaining

3   customer records for the plurality of loyalty programs in the central database.

1   18.   The method recited in claim 15 further comprising transmitting an

2   instruction to a second merchant to provide a reward in response to receiving the transaction

3   information for the transaction between the customer and the first merchant.

1   19.   A computer-readable storage medium having a computer-readable

2   program embodied therein for directing operation of a computer system including a

3   communications system, a processor, and a storage device, wherein the computer-readable

4   program includes instructions for operating the computer system for operating a loyalty

5   program integrated with a financial infrastructure in accordance with the following:

6   receiving a transaction instruction initiated by a customer at a merchant over

7   the communications system;

8   determining whether the customer and merchant are participants in the loyalty

9   program from data stored on the storage device;

10   executing a loyalty process with the processor in accordance with the loyalty

11   program if the customer and merchant are participants; and

12   transmitting the transaction instruction to the financial infrastructure over the

13   communications system.

1   20.   The computer-readable storage medium recited in claim 19 wherein

2   the computer-readable program further includes instructions for operating the computer

3   system for transmitting an authorization determination received from the financial

4   infrastructure to the merchant over the communications system.

1   21.   The computer-readable storage medium recited in claim 19 wherein

2   executing the loyalty process comprises transmitting an instruction over the communications

3   system to the merchant to provide a substantially immediate reward in accordance with the

4   loyalty program.

1   22.   A computer-readable storage medium having a computer-readable

2 program embodied therein for directing operation of a loyalty host including a

3 communications system, a processor, and a storage device, wherein the computer-readable

4 program includes instructions for operating the loyalty host for operating a loyalty system in

5 accordance with the following:

6   storing administration criteria on the storage device for each of a plurality of

7 distinct loyalty programs comprised by the loyalty system;

8   receiving transaction information over the communications system for a

9 transaction between a customer and a first merchant enrolled in at least one of the loyalty

10 programs; and

11   augmenting a point total for the customer in accordance with the transaction

12 information and with the administration criteria for the at least one of the loyalty programs,

13   wherein the augmented point total is available to be applied by the customer

14 towards a reward from a second merchant enrolled in the at least one of the loyalty programs

15 substantially immediately after execution of the transaction.

1   23.   The computer-readable storage medium recited in claim 22 wherein

2 the first and second merchants assign different values to the point total, the computer-

3 readable program further including instructions for performing point-settlement functions

4 among the merchants.

1   24.   The computer-readable storage medium recited in claim 22 wherein

2 the computer-readable program further includes instructions for transmitting an instruction to

3 the second merchant over the communications system to provide the reward in response to

4 receiving the transaction information for the transaction between the customer and the first

5 merchant.

1   25.   A loyalty host for operating a loyalty system including a plurality of

2 loyalty programs, the loyalty host comprising:

3   a communications interface configured for exchanging information with a

4 plurality of merchants and a plurality of issuers who issue instruments to customers

5 participating in at least one of the loyalty programs;

6   a storage device;

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7   a processor in communication with the communications interface and the

8   storage device; and

9   a memory coupled with the processor, the memory comprising a computer-

10   readable storage medium having a computer-readable program embodied therein for directing

11   operation of the loyalty host, the computer-readable program including:

12   instructions for receiving transaction information over the

13   communications interface for a transaction between a customer and a first merchant; and

14   instructions augmenting a point total for the customer in accordance

15   with at least one of the loyalty programs, wherein the augmented point total is available to be

16   applied by the customer towards a reward from a second merchant substantially immediately

17   after execution of the transaction.

1   26.   The loyalty host recited in claim 25 wherein the first and second

2   merchants assign different values to the point total, the computer-readable program further

3   including instructions for performing point-settlement functions among the merchants.

1   27.   The loyalty host recited in claim 25 wherein the computer-readable

2   program further includes instructions for transmitting an instruction to the second merchant

3   over the communications interface to provide the reward in response to receiving the

4   transaction information for the transaction between the customer and the first merchant.

1   28.   The loyalty host recited in claim 25 wherein the computer-readable

2   program further includes instructions for transmitting the transaction information over the

3   communications interface to at least one of the issuers to seek authorization for the

4   transaction.

1   29.   The loyalty host recited in claim 28 wherein the computer-readable

2   program further includes instructions for deaugmenting the point total for the customer if

3   authorization for the transaction is denied by the issuer.

1   30.   The loyalty host recited in claim 25 wherein the communications

2   interface is further configured such that information exchanged with at least one of the issuers

3   is exchanged through an intermediary issuer association.